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## **Retirement incentive program could help avert county layoffs**

### **Legal battle continues over 2009 buyout plan**

by Erin Cunningham | Staff Writer

The Montgomery County Council is considering whether to offer an early-retirement incentive to government employees who might otherwise be laid off.

County Executive Isiah Leggett (D) proposed the buyout program as a way to reduce the 232 layoffs included in his fiscal 2011 budget plan.

The amount that could be saved through the buyouts is not yet known because officials do not know how many employees would take advantage of the incentive.

Under the proposal, which the County Council voted to introduce Tuesday, participants would be able to choose a retirement benefit of \$35,000; \$30,000 plus an enhanced retiree life insurance benefit; or \$28,000 plus an enhanced retiree health plan cost-sharing benefit.

In addition, a participant's pension benefit would not be reduced for early retirement, according to Leggett's proposal.

Leggett proposed a retirement incentive program in 2009, but because it did not abolish positions after they were vacated the county's Office of Legislative Oversight found that it would cost the county money over time.

"We're doing it almost the opposite way that we did last year," Joseph Beach, the county's director of the Office of Management and Budget, said, referring to the most recent proposal.

"Last year [we were to] offer the retirement incentive and then make a decision on whether or not to abolish a position," he said. "This year, there will be a corresponding abolishment for every individual who left under the retirement incentive program."

Beach said that means that the position vacated might not be the one abolished if it is deemed a necessary position.

This year, officials have determined the occupational classes and positions where they want to make cuts and have offered the incentive to those employees, Beach said. Last year's program was open to all county government employees.

The 2009 program continues to be the focus of a legal battle between the United Food and Commercial Workers Local 1994, Municipal and County Government Employees Organization and the County Council.

In May 2009, the council deferred a decision on the program, which would have given participants a one-time, \$40,000 payment.

MCGEO filed a mandamus, or a request to force a council vote, on June 15, 2009, and a trial, expected earlier this year, has been postponed until June.

MCGEO asked to move back the trial date because the issue might resolve itself, said Edward Lattner, who works in the County Attorney's Office. If the council adopts Leggett's latest retirement incentive plan it "may make the suit go away," Lattner said Tuesday.

Under Leggett's most recent proposal, employees who are eligible for retirement or within two years of meeting the criteria for normal retirement could participate.